

DIVISION OF FINANCE

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STATE OF MISSOURI

December 10, 1999

The attached report represents a consolidation of Reports of Condition filed by state-chartered banks with the Missouri Division of Finance as of September 30, 1999 and a comparison with the statements filed one year earlier.

Also included is a comparison of financial statements of state chartered and national banks.

During the previous twelve months, the number of state-chartered banks and trust companies declined by 25 from 357 to 332. Four banks merged into out-of-state affiliates; ten merged into other Missouri state chartered banks; and fifteen merged into other Missouri national banks. Two state chartered banks converted to national charters. Four new banks and two new non-deposit trust companies were chartered.

The assets of twenty-one banks left state regulation during the previous twelve months. On September 30, 1998 these banks totaled \$6.0 billion in assets and held \$5.2 billion in deposits. This represented 16.3 and 16.7 percent of state totals. The departure of these banks was largely the result of a few major banking organizations consolidating offices into other affiliates. While the physical offices and businesses remain, financial records are now reported in the out-of-state or national offices.

Assets in state chartered banks totaled \$33.5 billion on September 30, 1999, a decrease of 9.2 percent from one year earlier. Deposits were \$28.0 billion, down 10.3 percent.

Total loans were \$22.8 billion on September 30, 1999, down 5.6 percent.

The equity capital to asset ratio increased to 9.33 percent. Primary capital, which includes the allowance for loan losses increased to 10.20 percent in relation to total assets.

Net income in state banks was down 10.2 percent from the first nine months of 1998. Annualized return on assets among state chartered banks was 1.19 percent during this period, down from 1.22 percent in 1998.

D. Eric McClure
Acting Commissioner

**COMPARATIVE STATEMENT OF CONDITION
STATE BANKS AND TRUST COMPANIES IN MISSOURI
AS OF SEPTEMBER 30, 1999**

| THOUSANDS OF DOLLARS | 319 BANKS 9/30/99 | 346 BANKS 9/30/98 | INCREASE DECREASE() | PERCENT CHANGE |
|---------------------------|-------------------------|-------------------------|------------------------|-------------------|
| ASSETS | | | | |
| Total Loans | \$22,774,000 | \$24,117,600 | (\$1,343,600) | -5.6% |
| Allowance for Loan Losses | 324,000 | 346,900 | (22,900) | -6.6% |
| Total Assets | 33,510,200 | 36,921,700 | (3,411,500) | -9.2% |
| LIABILITIES | | | | |
| Total Deposits | 28,047,700 | 31,269,700 | (3,222,000) | -10.3% |
| Total Equity Capital | 3,126,300 | 3,449,100 | (322,800) | -9.4% |

| OPERATING RATIOS | 9/30/99 | 9/30/98 | CHANGE |
|---------------------------------|---------|---------|--------|
| Capital and Reserves/Assets | 10.20% | 10.19% | 0.01% |
| Total Loans/Assets | 67.96% | 65.32% | 2.64% |
| Allowance for Loan Losses/Loans | 1.42% | 1.44% | -0.02% |
| Return on Assets (Annualized) | 1.19% | 1.22% | -0.03% |

NOTES:

1999 Does not include twelve nondeposit trust companies and one chartered but not operating bank.
1998 Does not include eleven nondeposit trust companies.

**COMPARATIVE STATEMENT OF CONDITION
STATE AND NATIONAL BANKS IN MISSOURI
AS OF SEPTEMBER 30, 1999**

| MILLIONS OF DOLLARS | 9/30/99 | | | 9/30/98 | PERCENT CHANGE |
|---------------------------|-----------------------|-------------------------|---------------------|---------------------|-------------------|
| | 319 STATE BANKS | 50 NATIONAL BANKS | 369 ALL BANKS | 396 ALL BANKS | |
| ASSETS | | | | | |
| Cash and Due from Banks | 1,186 | 2,476 | 3,662 | 3,893 | -5.9% |
| Investment Securities | 7,791 | 11,854 | 19,645 | 19,620 | 0.1% |
| Total Loans and Leases | 22,774 | 27,203 | 49,977 | 46,041 | 8.5% |
| Less: Reserves | 324 | 387 | 711 | 668 | 6.4% |
| Federal Funds Sold | 680 | 1,256 | 1,936 | 2,497 | -22.5% |
| Fixed Assets | 630 | 753 | 1,383 | 1,266 | 9.2% |
| Other Real Estate | 46 | 21 | 67 | 68 | -1.5% |
| Other assets | 727 | 1,318 | 2,045 | 2,119 | -3.5% |
| TOTAL ASSETS | \$33,510 | \$44,494 | 78,004 | 74,836 | 4.2% |
| LIABILITIES | | | | | |
| Total Deposits | 28,048 | 32,115 | 60,163 | 58,546 | 2.8% |
| Deposits over 100M | 3,102 | 2,549 | 5,651 | 5,266 | 7.3% |
| Brokered Deposits | 281 | 94 | 375 | 248 | 51.2% |
| Federal Funds Purchased | 1,142 | 3,154 | 4,296 | 3,799 | 13.1% |
| Other liabilities | 1,194 | 5,720 | 6,914 | 5,796 | 19.3% |
| Total Equity Capital | 3,126 | 3,505 | 6,631 | 6,695 | -1.0% |
| TOTAL LIABILITIES | \$33,510 | \$44,494 | 78,004 | 74,836 | 4.2% |
| EARNINGS | | | | | |
| Interest Income | 1,787 | 2,289 | 4,076 | 4,076 | 0.0% |
| Interest Expense | 849 | 1,102 | 1,951 | 2,012 | -3.0% |
| Net Interest Income | 938 | 1,187 | 2,125 | 2,064 | 3.0% |
| Provision for Loan Losses | 50 | 57 | 107 | 84 | 27.4% |
| Net Income | 298 | 395 | 693 | 769 | -9.9% |
| Cash Dividends | 144 | 468 | 612 | 682 | -10.3% |
| Net Loan Losses | 26 | 49 | 75 | 59 | 27.1% |